

**UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS**

CIVIL ACTION NO. 05-10452-REK

CHURCH BROTHERS, LLC)
)
Plaintiff)
)
vs)
)
THE ALPHAS COMPANY, INC.)
THE ALPHAS COMPANY OF NEW)
YORK, INC., JOHN S. ALPHAS, and)
PETER ALPHAS)
Defendants)

**AFFIDAVIT OF JOHN S. ALPHAS
IN SUPPORT OF MOTION
TO MODIFY ORDER OF MARCH 10, 2005**

Now comes John Alphas and deposes as follows:

1. I am a defendant named in the Complaint in this matter. I am the President of the Defendant The Alphas Company, Inc. I make the statements contained in this Affidavit based on my personal knowledge.
2. I have not spoken to Neil Milburn since January of 2005.
3. The closing date for the transaction to which the Milburn affidavit referred, the sale of "some docks" in fact was December 29, 2004.
4. The "embezzlement" situation occurred in mid-December of 2004.
5. The statement contained in Paragraph 13 of the Milburn affidavit that "all price adjustments that have been either requested or authorized in connection

with Defendants' accounts have been made and are reflected on CB's aged account statement" is not correct. To the contrary, The Alphas Company has obtained Department of Agriculture Inspections concerning many of the lots of produce involved. I have communicated with the Plaintiff concerning those lots and have requested credits for the bad produce. Mr. Milburn implies as much, as Paragraph 14 addresses the fact that we "requested numerous adjustments."

6. Attached hereto as a cumulative Exhibit 1 are true and correct copies of our business records for shipments that are in dispute.
7. Attached hereto as Exhibit 2 is a listing of Plaintiff's invoices, payments which we made against those invoices, and amounts in dispute between Plaintiff and Defendant concerning quality of the produce actually provided to us. The spreadsheet discloses that, including payment sent by Federal Express on March 11, 2005 (in the amount of \$ 17,500.00 for portions of invoices not in dispute, drawn on an account with a bank not served with the Court's order), we have paid \$ 29,299.20 of the amount claimed in the Complaint in this matter, leaving \$ 46,851.00 truly in dispute. We in fact dispute that we owe Church Brothers any of that amount.
8. Attached hereto as Exhibit 3 are true and correct copies of Federal Express materials, demonstrating that Church Brothers received the package containing the \$ 17,500 check.
9. Contrary to Mr. Milburn's Declaration, I had repeated discussions with Plaintiff, and specifically Mr. Milburn. Mr. Milburn told me that they were

having product problems, not only with Alphas, but with virtually every customer. He admitted to on-going quality problems. The documents contained within Exhibit 1 demonstrate that we in fact had on-going communications with Church Brothers about each and every invoice upon which they have brought their suit.

10. Within Exhibit 1 are true and correct copies of facsimiles which we sent to Plaintiff indicating the amounts which we believed were the actual amounts which we owed. Plaintiff never sent us a corrected invoice to reflect the changed amounts, so we did not issue payment.
11. In addition to the disputed lots, we have paid for many shipments about which there was no quality dispute. Within the spreadsheet, attached hereto as Exhibit 4, are entries which show the lots from the Plaintiff for which we have paid. As noted in Paragraph 8 of Mr. Milburn's declaration, Plaintiff has been doing business with Alphas only since November of 2004.
12. Plaintiff served the suit papers on our bank before they provided us with notice of the suit or restraining order.
13. The bank has informed us that, as a result of the order, it will not honor any checks. We had written checks to major suppliers which will be dishonored, even though, as of 5:00 p.m. on March 11, 2005, we have approximately \$ 17,000 in the Danvers Savings account beyond the \$ 76,000 in dispute here.
14. I understand that, as the Order is written, even if we comply with Paragraph E of the Order and deposit \$ 76,150.20 into the court or a separate trust account, our bank is still restrained from paying any checks, as, under the interpretation

of “trust funds” presented by the Plaintiff, any funds derived directly or indirectly from the sale of produce are “trust funds.” Therefore, our bank has indicated to us that they feel restrained from honoring any checks.

SIGNED UNDER THE PAINS AND PENALTIES OF PERJURY THIS 14th DAY OF MARCH, 2005.

/s/ John S. Alphas
John S. Alphas

235218

Case 1:05-cv-10452-REF Document 10 Filed 03/14/2005 Page 5 of 45 26993
THE ALPHAS COMPANY OF NEW YORK, INC.
HUNTS POINT PRODUCE MARKET
223-225 ROW B
BRONX, NY 10474

02/16/05

PAY TO THE
ORDER OF

\$ 9673.50

***Nine Thousand Six Hundred Seventy-Three & 50/100 Dollars

DOLLARS

CHURCH BROTHERS, LLC
P.O. BOX 509
SALINAS, CA 93902-0509

MEMO:



⑈026993⑈ ⑆021000089⑆ 03074611⑈

THE ALPHAS COMPANY OF NEW YORK, INC.
HUNTS POINT PRODUCE MARKET

26993

CHUBRO CHURCH BROTHERS, LLC

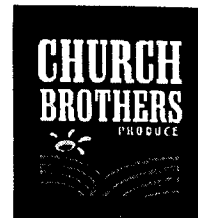
101338	9509	12/03/04	9673.50	0.00	0.00	9673.50
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(Acct: 1000-00-00)

Check Date 02/16/05

Total 9673.50

Exhibit 1



INVOICE

Invoice #: 101338
Invoice: Dec 03, 2004
Ship: Dec 03, 2004
Pay Terms: Net 10

Sold To: Alphas Company Inc.
51-52 & 87-88 New England Produce Center
Chelsea MA 02150

Ship To: Alphas Company Inc.
51-52 & 87-88 New England Produce Center
Chelsea MA 02150

Page 1 of 1

Sale Terms: FOB	Salesperson: Neil Milburn	Carrier: JAIMES	
Order:	Via:	Trailer lic: T679245	St: TN
Cust PO:	Currency: USD	Broker:	

Description	Quantity	UOM	Price	Amount
Lettuce Liner 24 Reg Church Brothers	360	ctn	8.10	2,916.00
Lettuce Wrap 24 Reg Church Brothers	360	ctn	9.10	3,276.00
Spring Mix PP 2X1.5# Reg New Millenium	280	ctn	5.00	1,400.00
Baby Spinach PP 4# Reg True Leaf	140	ctn	6.00	840.00
Romaine Naked 24 Reg True Leaf	270	ctn	3 rd 15.25	4,117.50 810 th
Broccoli Bunch 14 Reg	48	ctn	8.50	408.00
RYAN 10 Temperature Recorder	1		23.50	23.50
INVOICE TOTAL:	1458			12,981.00
				9673 ¹⁰

Exhibit 1, p. 2

Please return a copy of this invoice with your remittance - Thank You

The perishable agricultural commodities listed on this invoice are sold subject to the statutory trust authorized by section 5c of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C 499e(c)). The seller of these commodities retains a trust claim over these commodities, all inventories of food or other products derived from these commodities, and any receivables or proceeds from the sale of these commodities until full payment is received.


 U.S. DEPARTMENT OF AGRICULTURE AGRICULTURAL MARKETING SERVICE		INSPECTION CERTIFICATE M - 004291	
CARRIER & LOT IDENTIFICATION Carrier/Lot ID: <u>9509111</u> Additional Lot ID: <u>UL</u>		Applicant: <u>Alphas Co.</u> Address: <u>Brown NY</u> Shipper: <u>Church Bros</u> Address: <u>Selins, GA</u> Insp. Site: <u>Applicant Store</u>	
Carrier Type/Name: <u>Applicant</u> Refrigeration Unit: <input type="checkbox"/> On <input type="checkbox"/> Off <input type="checkbox"/> Open <input type="checkbox"/> Closed		"True Leaf" 2 dozen heads 270 cartons	
A: 35 B: <u>137</u> C: <u>1</u> D: <u>1</u>		Generally fresh and crisp. Quality (insect feeding injury) (0 to 13%) Russet Spinning (4 to 35%) Ribs Discoloration (0 to 17%) Yellowish Brown Discolored leaves (0 to 13%) Decay (Early stages) Checkmate	
REMARKS: GRADE: Fails to grade US N01 Account of condition		ESTIMATED TOTAL \$ 83-50 Inspector's Signature: <u>James C. [unclear]</u> Market Office: <u>Brown NY</u>	

Exhibit 1, p. 3

87-89 New England Produce Center
Chelsea, MA 02150
617-884-5921
617-884-5932 Fax

The Alphas Company, Inc.

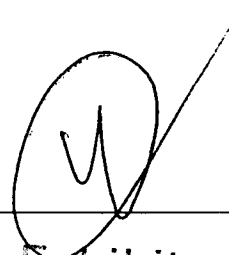
To:	Church Brothers, LLC	From:	Yanni
Attn:	Neil	Pages:	1
Fax:	831-455-1047	Date:	12/20/04
Re:		CC:	

Neil,

As agreed upon – today's invoice #101338 / Alphas Lot# 9509

270 cases Romaine will be paid at \$3.00.

Total to be remitted on this invoice \$9,673.50


Exhibit 1, p4

THE ALPHAS COMPANY OF NEW YORK, INC.

HUNTS POINT PRODUCE MARKET
223-225 ROW B
BRONX, NY 10474

CITIBANK, N.A.
1-8/210

02/17/05

PAY TO THE
ORDER OF

\$ 4046.30

***Four Thousand Forty-Six & 30/100 Dollars

DOLLARS

CHURCH BROTHERS, LLC
P.O. BOX 509
SALINAS, CA 93902-0509

MEMO:



⑈027019⑈ ⑆021000089⑆ 03074611⑈

THE ALPHAS COMPANY OF NEW YORK, INC.
HUNTS POINT PRODUCE MARKET

27019

CHUBRO CHURCH BROTHERS, LLC

102088	9542	12/10/04	4046.30	0.00	0.00	4046.30
--------	------	----------	---------	------	------	---------

(Acct: 1000-00-00)

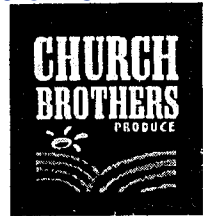
Check Date 02/17/05

Total

4046.30

Exhibit 1, p. 5

Church Brothers, LLC
P.O Box 509
Salinas CA 93902-0509
USA



INVOICE

Invoice #: 102088
Invoice: Dec 10, 2004
Ship: Dec 10, 2004
Pay Terms: Net 10

Sold To: Alphas Company of New York
223 to 225 Row B Hunts Point Terminal Mkt., Bror
New York NY 10474

Ship To: Alphas Company of New York
223 to 225 Row B Hunts Point Terminal Mkt., Bror
New York NY 10474

Page 1 of 1

Sale Terms: FOB	Salesperson: Neil Milburn	Carrier: TDH	
Order:	Via:	Trailer lic: 4ER9774	St:
Just PO:	Currency: USD	Broker:	

Description	Quantity	UOM	Price	Amount
omaine Liner 24 Reg Church Brothers	140	ctn	14.10	1,974.00 714 ⁰⁰
reen Leaf Liner 24 Reg Church Brothers	84	ctn	28.10	2,360.40 1268 ⁴⁰
ed Leaf Liner 24 Reg Church Brothers	84	ctn	14.10	1,184.40 680 ⁴⁰
ettuce Wrap 24 Reg Church Brothers	560	ctn	10.10	5,656.00 11260 ⁰⁰
ettuce Liner 24 Reg Church Brothers	240	ctn	10.10	2,424.00 2424 ⁰⁰
YAN 10 Temperature Recorder	1		23.50	23.50 23 ⁵⁰
INVOICE TOTAL:	1108			13,022.30

4046³⁰

for Neil

ENTERED

Exhibit 1, p. 6

Please return a copy of this invoice with your remittance - Thank You

The perishable agricultural commodities listed on this invoice are sold subject to the statutory trust authorized by section 5c of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C 499e(c)). The seller of these commodities retains a trust claim over these commodities, all inventories of food or other products derived from these commodities, and any receivables or proceeds from the sale of these commodities until full payment is received.

CARRIER IDENTIFICATION

9019542

Carrier/Not ID Rated by: Applicant

Carrier Type Name:

APPLICANT

The Alphas Coop NY

Address: Brox New York

Shipper: Church Bros LDC

Address: Salinas CA

Insp. Site: Applicant's store

U.S. DEPARTMENT OF AGRICULTURE

AGRICULTURAL MARKETING SERVICE

INSPECTION CERTIFICATE

M - 004312

Refrigeration Unit:		On	Off	Doors:	Open	Closed
A: 36	37					
B: 36	37					
C: /						
D: /						

Lot	Quality	Weight	Grade	Remarks
1	Iceberg Lettuce	36	00	Each lot: size: large
2	Iceberg Lettuce	37	00	- Generally
3				Fresh and crisp
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
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38				
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45				
46				
47				
48				
49				
50				

REMARKS:

Each lot fails to grade US not account condition.

ESTIMATED TOTAL

1300x New York \$ 144.00

APPLICANT

Robert [Signature]

87-89 New England Produce Center
Chelsea, MA 02150
617-884-5921
617-884-5932 Fax

The Alphas Company, Inc.

To:	Church Brothers, LLC	From:	Yanni
Attn:	Neil Milburn	Pages:	# 3
Fax:	831-455-1047	Date:	12/20/04
Re:		CC:	

Neil,


Prices as agreed:

Romaine	140cs	@ 5.10
Green Leaf	84cs	@ 15.10
Red Leaf	84cs	@ 8.10
Cello Lettuce	560cs	@ 2.00
Liner Lettuce	240cs	@ 1.00

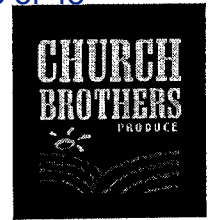
Total Invoice value \$4,046.30

***** Also please tell Gina checks are on the way!

Yanni


Exhibit 1, p. 8

Church Brothers, LLC
P.O Box 509
Salinas CA 93902-0509
USA



INVOICE

Invoice #: 102172
Invoice: Dec 10, 2004
Ship: Dec 10, 2004
Pay Terms: Net 10

Sold To: Alphas Company Inc.
51-52 & 87-88 New England Produce Center
Chelsea MA 02150

Ship To: Alphas Company Inc.
51-52 & 87-88 New England Produce Center
Chelsea MA 02150

PO 8715 / LOT 7090

Page 1 of 1

Sale Terms: FOB	Salesperson: Neil Milburn	Carrier: SPAK	
Order:	Via:	Trailer lic: 4BS9709	St:
Cust PO:	Currency: USD	Broker:	

Description	Quantity	UOM	Price	Amount
Red Leaf Liner 24 Reg Church Brothers	84	ctn	6 ¹⁰ 14.10	1,184.40 512.40
Green Leaf Liner 24 Reg Church Brothers	168	ctn	13 ¹⁰ 28.10	4,720.80 2200.80
Romaine Liner 24 Reg Church Brothers	210	ctn	5 ¹⁰ 12.10	2,541.00 1071.00
Lettuce Liner 24 Reg Church Brothers	320	ctn	1 10.60	3,392.00 320.00
Lettuce Wrap 24 Reg Church Brothers	320	ctn	1 14.60	3,712.00 320.00
RYAN 10 Temperature Recorder	1		23.50	23.50 23.50
INVOICE TOTAL:	1102			15,573.70 4447.70

VJDA

84 @ 8.00 (672.00)
168 @ 15.00 (2520.00)
210 @ 7.00 (1470.00)
320 @ 9.60 (3072.00)
✓ 320 @ 10.60 (3392.00)
(11126.00)

POSTED

PAID
15259 1-12-05

Exhibit 1, p. 9

Please return a copy of this invoice with your remittance - Thank You

The perishable agricultural commodities listed on this invoice are sold subject to the statutory trust authorized by section 5c of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C 499e(c)). The seller of these commodities retains a trust claim over these commodities, all inventories of food or other products derived from these commodities, and any receivables or proceeds from the sale of these commodities until full payment is received.

USDA		U.S. DEPARTMENT OF AGRICULTURE		INSPECTION CERTIFICATE		T-004-0250-00248	
		AGRICULTURAL MARKETING SERVICE					
		http://FPBInspections.ams.usda.gov				PAGE 1 of 2	
CARRIER or LOT ID: LOT 102172		APPLICANT: (211043547)THE ALPHAS COMPANY,		REQUESTED: 12/15/2004 7:30 AM			
LOADING STATUS: UNLOADED		CHELSEA, MA		STARTED: 12/15/2004 7:47 AM			
STATED BY: APPLICANT		SHIPPER: CHURCH BROTHERS		COMPLETED: 12/15/2004 8:53 AM			
ADDITIONAL ID: NA				PASSWORD FOR ONLINE ACCESS			
CARRIER TYPE: NA		MARKET OFFICE: BOSTON, MA		M5F3NF7MDVHMZGHK			
REFRIG UNIT: NA	DOORS: NA	INSP SITE: 88 NEPC		ESTIMATED FEE:		\$144.00	
REMARKS:							

LOT A (QAC) - LETTUCE, ICEBERG							
TEMP: 39° to 40°F		INSP CT: YES		NUMBER OF CONTAINERS: 320 CARTON(S)		ORIGIN: CA	
MARKINGS: BRAND: CHURCH BROTHERS MARKINGS: ICEBERG LETTUCE CHURCH BROTHERS LLC SALINAS, CA PRODUCE OF USA NAKED 24							
PLI: NONE				OTHER ID: NAKED / LINER			
INJURY	DAM	SER DAM	V.S. DAM	OFFSIZE/DEFECTS			
NA	3	0	NA	QUALITY DEFECTS (0 to 4%)(MECHANICAL DAMAGE, DIRT)			
NA	11	3	NA	RUSSET SPOTTING (8 to 13%)			
NA	10	3	NA	DISCOLORATION FOLLOWING BRUISING (8 to 13%)			
NA	7	0	NA	FEATHERING OR PEELING (0 to 13%)			
NA	1	0	NA	PINK RIB (0 to 4%)			
NA	1	0	NA	WATERSOAKED AREAS (0 to 4%)			
NA	4	4	NA	DECAY AFFECTING COMPACT PORTION OF HEADS AND/OR BUTTS (0 to 8%)			
NA	37	10	NA	CHECKSUM			
GRADE:		FAILS TO GRADE U.S. NO. 1 ACCOUNT CONDITION.					
LOT DESC:		STAGES OF DECAY: MOSTLY EARLY, MANY MODERATE					

I, the undersigned, a duly authorized inspector of the United States Department of Agriculture, do hereby certify that at the request of the applicant and on the date indicated, samples of the herein described product were inspected and the quality and/or condition as shown by said samples were as herein stated.	
Warning: Any person who knowingly shall falsely make, issue, alter, forge, or counterfeit this certificate or participate in any such actions, is subject to a fine of not more than \$1,000 or imprisonment for not more than one year, or both.	Signature: 0250 - RUSTIGIAN, DANIEL <i>Daniel J. Rustigian</i> Date: 12/15/2004

Exhibit 1, p. 10



U.S. DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE
<http://FPBInspections.ams.usda.gov>

INSPECTION CERTIFICATE

T-004-0250-00248

PAGE 2 of 2

LOT B (QAC) - LETTUCE, ICEBERG

TEMP: 38° to 39°F	INSP CT: YES	NUMBER OF CONTAINERS: 320 CARTON(S)	ORIGIN: CA	
MARKINGS: BRAND: CHURCH BROTHERS MARKINGS: ICEBERG LETTUCE CHURCH BROTHERS LLC SALINAS, CA PRODUCE OF USA LOGO WRAP 24				
PLI: NONE		OTHER ID: CELLO		
INJURY	DAM	SER DAM	V.S. DAM	OFFSIZE/DEFECTS
NA	1	0	NA	QUALITY DEFECTS (0 to 4%)(MECHANICAL DAMAGE)
NA	11	0	NA	FEATHERING OR PEELING (4 to 17%)
NA	10	3	NA	RUSSET SPOTTING (0 to 17%)
NA	10	1	NA	DISCOLORATION FOLLOWING BRUISING (8 to 13%)
NA	1	0	NA	WATERSOAKED AREAS (0 to 4%)
NA	4	4	NA	DECAY AFFECTING COMPACT PORTION OF HEADS AND/OR BUTTS (4 to 4%)
NA	37	8	NA	CHECKSUM
GRADE:	FAILS TO GRADE U.S. NO. 1 ACCOUNT CONDITION.			
LOT DESC:	STAGES OF DECAY: MOSTLY EARLY, MANY MODERATE			

I, the undersigned, a duly authorized Inspector of the United States Department of Agriculture, do hereby certify that at the request of the applicant and on the date indicated, samples of the herein described product were inspected and the quality and/or condition as shown by said samples were as herein stated.

Warning: Any person who knowingly shall falsely make, issue, alter, forge, or counterfeit this certificate or participate in any such actions, is subject to a fine of not more than \$1,000 or imprisonment for not more than one year, or both.

Signature: 0250 - RUSTIGIAN, DANIEL

Date:

12/15/2004

Exhibit 1, p. 16



February 18, 2005

Mr. Jay Brown
Chief Financial Officer
Church Brothers LLC
P. O. Box 509
Salinas, CA 93902-0509

RE: Church Brothers Invoice No. 102172 / Alphas Lot No. 7090

Dear Jay,

Please be advised that on December 20, 2004, at 1:00 p.m., Neil and I went over this Invoice. I paid as agreed between Neil and myself. Every lot on this file was discussed and mutually agreed upon.

I will be on vacation from February 22 – February 28, 2005. I will be available for any questions you might have after these dates.

Thank you,

Yanni Alphas
President



February 16, 2005

Via Fax and U.S. Mail

Yanni Alphas
THE ALPHAS COMPANY, INC.
51-52 & 87-88 New England Produce Center
Chelsea, MA 02150

Re: Your check no. 15259

Dear Yanni:

Your check no. 15259 in the amount of \$4,447.70 was received today. The check stub indicates that this check was remitted in connection with our invoice no. 102172, which totals \$15,573.70.

The product sold to you under invoice no. 102172 was shipped on December 10, 2004. Shipping times were normal and you accepted the load on or about December 15, 2004. The USDA inspection that was enclosed with your payment only supports deductions on the lettuce, not the green leaf, red leaf, or romaine. For these reasons, we do not accept your purported \$11,126.00 price adjustment and the full amount due under this invoice remains immediately payable.

We have applied your \$4,447.70 check as partial payment for our invoice no. 102172, leaving a balance due of \$11,126.00. Enclosed with this letter is a current statement of account confirming application of your partial payment. Please remit the remaining balance due immediately.

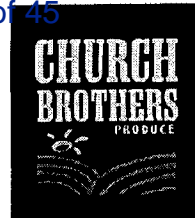
Regards,

A handwritten signature in black ink, appearing to read "Jay Brown".

Jay Brown
Chief Financial Officer

Exhibit 15 p. 13

Church Brothers, LLC
P.O Box 509
Salinas CA 93902-0509
USA



INVOICE

Invoice #: 102404
Invoice: Dec 14, 2004
Ship: Dec 14, 2004
Pay Terms: Net 10

Sold To: Alphas Company Inc.
51-52 & 87-88 New England Produce Center
Chelsea MA 02150

Ship To: Alphas Company Inc.
51-52 & 87-88 New England Produce Center
Chelsea MA 02150

PO 8717 / LOT 7092

Page 1 of 1

Sale Terms: FOB	Salesperson: Neil Milburn	Carrier: DUMAU	
Order:	Via:	Trailer lic: D24142	St: CA
Cust PO:	Currency: USD	Broker:	

Description	Quantity	UOM	Price	Amount	
Naked 24 True Leaf Reg True Leaf	34	ctn	4 ¹⁰ 9.40	309.40	139.40
Red Leaf Liner 24 Reg Church Brothers	210	ctn	4 ¹⁰ 6.40	1,281.00	861.00
Spring Mix PP 3# Reg Paige's Pride	420	ctn	3 - 5.00	2,100.00	1260.00
Romaine Hearts 12X3 Reg True Leaf	63	ctn	6 ¹⁰ 10.10	636.30	384.30
Broccoli Crowns Domestic Reg Church Brothers	576	ctn	5 ¹⁰ 7.10	4,089.60	2937.60
Green Leaf Liner 24 Reg Church Brothers	252	ctn	4 ¹⁰ 9.10	2,293.20	1033.20
TEMPTAIL Temperature Recoder	1		23.50	23.50	23.50
INVOICE TOTAL:	1555			10,733.00	6639.20

POSTED

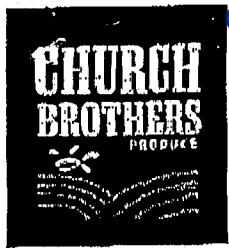
PAID
15262 1-12-05

34 @ 5.00 (170.00)
210 @ 2.00 (420.00)
420 @ 2.00 (840.00)
63 @ 4.00 (252.00)
✓ 576 @ 2.00 (1152.00)
252 @ 5.00 (1260.00)
(4094.00)

Exhibit 1 p. 14

Please return a copy of this invoice with your remittance - Thank You

The perishable agricultural commodities listed on this invoice are sold subject to the statutory trust authorized by section 5c of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C 499e(c)). The seller of these commodities retains a trust claim over these commodities, all inventories of food or other products derived from these commodities, and any receivables or proceeds from the sale of these commodities until full payment is received.



PASSING

Church Brothers, LLC
P.O. Box 509
Salinas CA 93902-0509
USA



Sold To:
Alphas Company Inc.
51-52 & 87-88 New England Produce Center
Chelsea MA 02150

Ship To:
Alphas Company Inc.
51-52 & 87-88 New England Produce
Chelsea MA 02150

Order No: 102404
Ship: Dec 14, 2004
Pay Terms: Net 10
Sale Terms: FOB
Time In: 13:47:54
Time out: 01:06:36

Cust PO:	Salesperson: Neil Milburn	Broker:	Quantity: 1555
Delivery:	Carrier: DUMAU		Pallets: 27.935
Via:	Trailer Lic: D24142	St: CA	Bulk Pounds: 37886.6

Description	Ordered	Shipped	Price	Amount
Location: Advanced Cooler				
Red Leaf Liner 24 Reg Church Brothers	210 ctn	210 ctn - 6 ¹⁰	14.50	3,066.00
Green Leaf Naked 24 Reg True Leaf	84 ctn	34 ctn - 9 ¹⁰	26.60	904.40
Spring Mix PP 3# Reg Paige's Pride	420 ctn	420 ctn - 5	6.50	2,730.00
Romaine Hearts 12X3 Reg True Leaf	63 ctn	63 ctn - 10 ¹⁴	16.60	1,045.80
Broccoli Crowns Domestic Reg Church Brothers	576 ctn	576 ctn - 7 ¹⁰	16.50	9,504.00
Green Leaf Liner 24 Reg Church Brothers	252 ctn	252 ctn - 9 ¹⁰	26.60	6,703.20
				23,953.40

RYAN 10 Temperature Recorder c250368	1	23.50	23.50
			23.50

Neil
Please hold this file
until price out -
Jenni

All claims must be reported within 24 hours of receipt and supported by a U.S.D.A inspection
ALL SALES FOB NO GRADE CONTRACT WITH GOOD DELIVERY STANDARDS APPLYING EXCLUDING BRUISING AND/OR
DISCOLORATION FOLLOWING BRUISING. IN ADDITION, ALSO EXCLUDED FROM THIS CONTRACT ARE ALL EFFECTS RELATED TO
FREEZE DAMAGE INCLUDING EPIDERMAL PEEL.

Attention:
Please review and contact immediately if any discrepancies.

Dec 15, 2004 06:34:47

1, p. 15

THE ALPHAS COMPANY OF NEW YORK, INC.

HUNTS POINT PRODUCE MARKET
223-225 ROW B
BRONX, NY 10474

02/17/05

PAY TO THE
ORDER OF

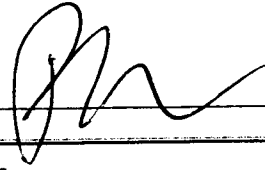
\$ 1043.50

***One Thousand Forty-Three & 50/100 Dollars

DOLLARS

CHURCH BROTHERS, LLC
P.O. BOX 509
SALINAS, CA 93902-0509

MEMO:



⑈027030⑈ ⑆021000089⑆ 03074611⑈

THE ALPHAS COMPANY OF NEW YORK, INC.
HUNTS POINT PRODUCE MARKET

27030

CHUBRO

CHURCH BROTHERS, LLC

102250	9564	12/31/04	5735.50	0.00	0.00	5735.50
102250C	9564	12/15/04	-4692.00	0.00	0.00	-4692.00

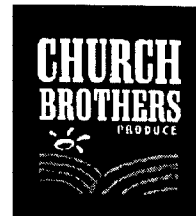
(Acct: 1000-00-00)

Check Date 02/17/05

Total

1043.50

11816



INVOICE

Invoice #: 102250
Invoice: Dec 15, 2004
Ship: Dec 15, 2004
Pay Terms: Net 10

Sold To: Alphas Company Inc.
51-52 & 87-88 New England Produce Center
Chelsea MA 02150

Ship To: Alphas Company Inc.
51-52 & 87-88 New England Produce Center
Chelsea MA 02150

Page 1 of 1

Sale Terms: FOB	Salesperson: Neil Milburn	Carrier: VALLEY TRUCKING
Order:	Via: Truck	Trailer lic: 4EG1765 St: CA
Cust PO:	Currency: USD	Broker:

Description	Quantity	UOM	Price	Amount
Lettuce Liner 24 Reg Church Brothers	213	ctn	1-5.10	1,086.30
Lettuce Wrap 24 Reg Church Brothers	510	ctn	1-6.10	3,111.00
Lettuce Liner 24 Reg Church Brothers	297	ctn	1-5.10	1,514.70
RYAN 10 Temperature Recorder	1		23.50	23.50
INVOICE TOTAL:	1020			5,735.50
				1043 ¹⁰

Exhibit 1, p 17

Please return a copy of this invoice with your remittance - Thank You

The perishable agricultural commodities listed on this invoice are sold subject to the statutory trust authorized by section 5c of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C 499e(c)). The seller of these commodities retains a trust claim over these commodities, all inventories of food or other products derived from these commodities, and any receivables or proceeds from the sale of these commodities until full payment is received.

[illegible]

87-89 New England Produce Center
Chelsea, MA 02150
617-884-5921
617-884-5932 Fax

The Alphas Company, Inc.

To:	Church Brothers, LLC	From:	Yanni
Attn:	Neil Milburn	Pages:	1
Fax:	831-455-1047	Date:	12/20/04
Re:		CC:	

Neil,

I love you but that's it! We cannot sell lettuce like this!
Freight is over \$4.50 per box. I'm only asking for \$2.00.

What do you want me to do?

Please call me.

Yanni

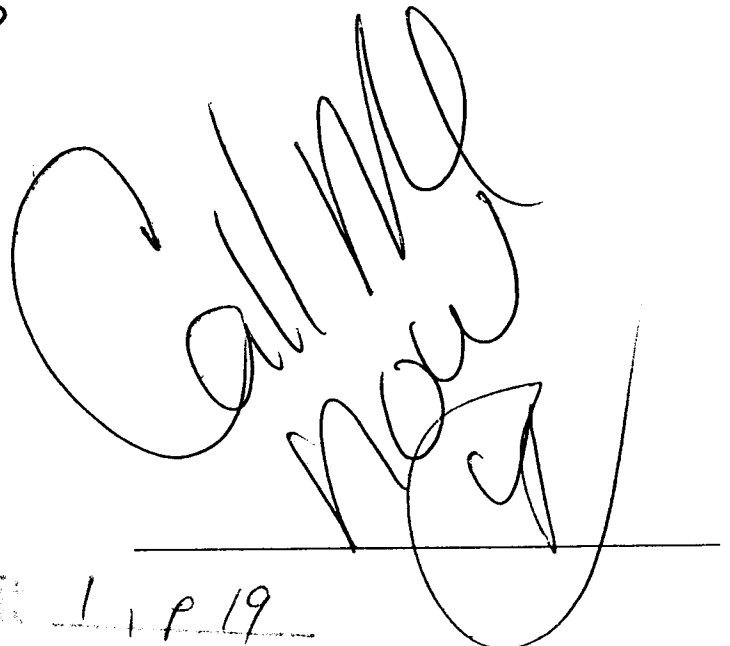
A large, stylized handwritten signature in black ink, appearing to read 'Yanni', is written over a horizontal line. The signature is highly cursive and loops around itself.

Exhibit 1, p 19

THE ALPHAS COMPANY OF NEW YORK, INC.

HUNTS POINT PRODUCE MARKET
223-225 ROW B
BRONX, NY 10474

CITIBANK, N.A.
1-8/210

02/16/05

PAY TO THE
ORDER OF

\$ 1529.40

***One Thousand Five Hundred Twenty-Nine & 40/100 Dollars

DOLLARS

CHURCH BROTHERS, LLC
P.O. BOX 509
SALINAS, CA 93902-0509

MEMO:



⑈026948⑈ ⑆021000089⑆ 03074611⑈

THE ALPHAS COMPANY OF NEW YORK, INC.
HUNTS POINT PRODUCE MARKET

26948

CHUBRO

CHURCH BROTHERS, LLC

102550	9573	12/18/04	7343.90	0.00	0.00	7343.90
102550C	9573	12/18/04	-5814.50	0.00	0.00	-5814.50

(Acct: 1000-00-00)

Check Date 02/16/05

Total

1529.40

Exhibit 1, p. 20



INVOICE

Invoice #: 102550
Invoice: Dec 18, 2004
Ship: Dec 18, 2004
Pay Terms: Net 10

Sold To: Alphas Company Inc.
51-52 & 87-88 New England Produce Center
Chelsea MA 02150

Ship To: Alphas Company Inc.
51-52 & 87-88 New England Produce Center
Chelsea MA 02150

Page 1 of 1

Sale Terms: FOB	Salesperson: Neil Milburn	Carrier: T P H	
Order: Dec 15, 2004	Via:	Trailer lic: 4EL5435	St: CA
Cust PO:	Currency: USD	Broker:	

Description	Quantity	UOM	Price	Amount
Romaine Hearts 12X3 Reg True Leaf	189	ctn	3.10 15.60	2,948.40
Lettuce Liner 24 Reg Church Brothers	320	ctn	1 - 4.10	1,312.00
Lettuce Wrap 24 Reg Church Brothers	600	ctn	1 - 5.40	3,060.00
RYAN 10 Temperature Recorder	1		23.50	23.50
INVOICE TOTAL:	1109			7,343.90

152940

1, p. 21

Please return a copy of this invoice with your remittance - Thank You

The perishable agricultural commodities listed on this invoice are sold subject to the statutory trust authorized by section 5c of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C 499e(c)). The seller of these commodities retains a trust claim over these commodities, all inventories of food or other products derived from these commodities, and any receivables or proceeds from the sale of these commodities until full payment is received.

12/22/2004 9:22 AM FROM: FRK USDA AND TV FPD TO: 1718 () PAGE: 002 OF 004

[illegible]

Exhibit 1, p. 22

USDA		U.S. DEPARTMENT OF AGRICULTURE		INSPECTION: C1871		DATE: 12-01-0257-00158	
		AGRICULTURAL MARKETING SERVICE				AGE: 2 of 3	
		LOT: B10AC1 LETTUCE ICEBERG					
TEMP: 36° to 37°F		INSPECT: YES		NUMBER OF CONTAINERS: 320 CARTON(S)		ORIGIN: OT	
MARKINGS:		BRAND: CHURCH BROTHERS					
		MARKINGS: CHURCH BROTHERS PRODUCE NAKED PALLETIZED 24 CHURCH BROTHERS LLC SALINAS CA					
		PRODUCE OF USA					
PLI: NONE				OTHER ID:			
INJURY:	NO	NO	NO	NO	NO	NO	NO
NA	0	0	NA	QUALITY DEFECTS			
NA	3	8	NA	RUSSET SPOTTING (4 to 21%)			
NA	1	0	NA	DISCOLORATION FOLLOWING BRUISING (0 to 1%)			
NA	1	0	NA	FIELD FREEZING / PEELING OR FEATHERING (0 to 4%)			
NA	1	0	NA	DECAY			
NA	15	8	NA	CHECKSUM			
GRADE:	FAILS TO GRADE U.S. NO. 1 ACCOUNT CONDITION.						
LOT DEF:	TEMPERATURES(3): 36°F, 36°F, 37°F						
Signature: 0257 - ATAMILDIZ, URGAY 				Date: 12/22/2004			

Exhibit 1, p. 23

USDA		U.S. DEPARTMENT OF AGRICULTURE		INSPECTION CERTIFICATE		DATE T-0110257-00158	
		AGRICULTURAL MARKETING SERVICE				PAGE 3 of 3	
		http://FPH inspections.usda.gov					
LOT C (QAC) - LETTUCE ICEBERG							
TEMP: 36°F to 36°F		INSP CT: YES		NUMBER OF CONTAINERS: 532 CARTON(S)		ORIGIN: OT	
MARKINGS:		BRAND: CHURCH BROTHERS					
		MARKINGS: CHURCH BROTHERS PRODUCE LOGO WRAP 24 CHURCH BROTHERS LLC SALINAS CA PRODUCE OF USA					
PLI: NONE		OTHER ID: CELLC					
INDEF:	QAC	DEF	QAC	DEF	QAC	DEF	QAC
NA	0	0	NA	0	0	0	0
NA	1	3	NA	1	3	NA	1
NA	1	1	NA	1	1	NA	1
NA	0	0	NA	0	0	NA	0
NA	2	4	NA	2	4	NA	2
GRADE:		FALLS TO GRADE U.S. NO. 1 ACCOUNT CONDITION.					
TEMPERATURES:		TEMPERATURES(3): 36°F, 36°F, 36°F					
<div style="position: absolute; bottom: 10px; right: 10px; width: 100%; text-align: right;"> <p>Signature: 0257 - ATENT LDIZ, URGAY</p> <p>Date: 12/22/2004</p> </div>							

Exhibit 1, p 24

THE ALPHAS COMPANY OF NEW YORK, INC.

HUNTS POINT PRODUCE MARKET
223-225 ROW B
BRONX, NY 10474

CITIBANK, N.A.
1-8/210

02/16/05

PAY TO THE
ORDER OF

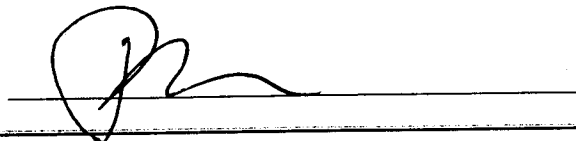
\$ 1207.50

***One Thousand Two Hundred Seven & 50/100 Dollars

DOLLARS

CHURCH BROTHERS, LLC
P.O. BOX 509
SALINAS, CA 93902-0509

MEMO:



⑈026972⑈ ⑆021000089⑆ 03074611⑈

THE ALPHAS COMPANY OF NEW YORK, INC.
HUNTS POINT PRODUCE MARKET

26972

CHUBRO CHURCH BROTHERS, LLC

102648	9575	12/18/04	7496.70	0.00	0.00	7496.70
12648C	9575	12/16/04	-6289.20	0.00	0.00	-6289.20

(Acct: 1000-00-00)

Check Date 02/16/05

Total 1207.50

Exhibit 1, p 25



INVOICE

Invoice #: 102648
Invoice: Dec 18, 2004
Ship: Dec 18, 2004
Pay Terms: Net 10

Sold To: Alphas Company Inc.
51-52 & 87-88 New England Produce Center
Chelsea MA 02150

Ship To: Alphas Company Inc.
51-52 & 87-88 New England Produce Center
Chelsea MA 02150

Page 1 of 1

Sale Terms: FOB	Salesperson: Neil Milburn	Carrier: T P H	
Order: Dec 17, 2004	Via:	Trailer lic: LOCAL	St: CA
Cust PO:	Currency: USD	Broker:	

Description	Quantity	UOM	Price	Amount
Lettuce Wrap 24 Reg Church Brothers	400	ctn	1 - 5.60	2,240.00
Green Leaf Liner 24 Reg Church Brothers	168	ctn	2 - 18.60	3,124.80
Red Leaf Liner 24 Reg Church Brothers	84	ctn	2 - 11.60	974.40
Romaine Liner 24 Reg Church Brothers	140	ctn	2 - 8.10	1,134.00
RYAN 10 Temperature Recorder	1		23.50	23.50
INVOICE TOTAL:	792			7,496.70

Driver request recorder X

1207¹⁰

[Handwritten signature] p-26

Please return a copy of this invoice with your remittance - Thank You

The perishable agricultural commodities listed on this invoice are sold subject to the statutory trust authorized by section 5c of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C 499e(c)). The seller of these commodities retains a trust claim over these commodities, all inventories of food or other products derived from these commodities, and any receivables or proceeds from the sale of these commodities until full payment is received.

12/22/2004 9:55 AM FROM: USDA USDA AMS NY EPP TO: 1-718 058 PAGE: 002 OF 005

USDA		CARRIER or LOT ID: PO 9575		APPLICANT: (21119756)THE ALPHA OF NY.	
LOADING STATUS: UNLOADED		BRONX, NY		12/22/2004 5:00 AM 12/22/2004 7:55 AM 12/22/2004 9:22 AM	
STATED BY: APPLICANT		SHIPPER: CHURCH BROTHERS			
ADDITIONAL ID: NA		SALINAS, CA			
CARRIER TYPE: NA		MARKET OFFICE: NEW YORK, NY			
REFRIG UNIT: NA		DOORS: NA		INSP SITE: APPLICANT'S STORE	
3332.00					
TEMP: 35° to 37°F INSP CT: YES NUMBER OF CONTAINERS: 130 CARTON(S)					
MARKINGS: BRAND: CHURCH BROTHERS					
MARKINGS: 2 DOZ LINER					
CHURCH BROTHERS LLC SALINAS, CA					
PLI: NONE OTHER ID:					
NA	0	0	NA	QUALITY DEFECTS	
NA	35	4	NA	PEELING AND FEATHERING (21 to 48%)	
NA	0	0	NA	DECAY	
NA	35	4	NA	CHECKSUM	
FAILS TO GRADE U.S. NO. 1 ACCOUNT CONDITION.					
SIZE: MOSTLY LARGE, MANY MEDIUM					
TEMPERATURES(3): 35°F, 37°F, 37°F					
Warning: Any person who knowingly and falsely makes, issues, alters, forges, or counterfeits this certificate or participates in any such actions, is subject to a fine of not more than \$1,000 or imprisonment for not more than one year, or both.				Signature: 0204 - M 	
				Date: 12/22/2004	

1, p 27

12/22/2004 9:53 AM FROM: USDA USDA AMS IV FFB TO: 1-718

050 PAGE: 005 OF 005

USDA

TEMP: 35°F, 37°F

INSP CT: YES

NUMBER OF CONTAINERS: 400 CARTON(S)

ORIGIN: CA

MARKINGS: BRAND: CHURCH BROTHERS
MARKINGS: 24 LOGO WRAP
CHURCH BROTHERS SALINAS, CA

PLI: NONE

OTHER ID:

NA	2	0	NA	QUALITY DEFECTS (0 to 8%)(MECHANICAL DAMAGE)	3E)
NA	7	1	NA	FIELD FREEZING / PEELING OR FEATHERING	13%)
NA	4	0	NA	DISCOLORATION FOLLOWING BRUISING (0 to 4%)	
NA	1	0	NA	RUSSET SPOTTING (0 to 4%)	
NA	1	1	NA	DECAY AFFECTING COMPACT PORTION OF HEADS AND/OR BUTTS (0 to 4%)	
NA	15	2	NA	CHECKSUM	

FAILS TO GRADE U.S. NO. 1 ACCOUNT CONDITION.

STAGES OF DECAY: ADVANCED

TEMPERATURES(3): 35°F, 37°F, 39°F

Signature: 0204 - ME... U.S.A

Date: 12/22/2004

1, p. 28

12/22/2004 9:53 AM FROM: USDA USDA AMS TV FBI TO: 1-110-050 PAGE: 003 OF 005

USDA				
TEMP: 38° to 39°F INSP CT: YES NUMBER OF CONTAINERS: 108 CARTON(S) ORIGIN: CA				
MARKINGS: BRAND: CHURCH BROTHERS MARKINGS: 2 DOZ LINE CHURCH BROTHERS SALINAS, CA				
PLI: NONE OTHER ID: <input checked="" type="checkbox"/>				
NA	0	NA	NA	QUALITY DEFECTS
NA	38	NA	NA	RUSSET SPOTTING (25 to 48%)
NA	6	NA	NA	DECAY (0 to 13%)
NA	44	NA	NA	CHECKSUM
NO ESTABLISHED U.S. GRADE.				
STAGES OF DECAY: MODERATE RUSSET SPOTTING: LEAVES AFFECTED: 2 TO 4 TEMPERATURES(3): 39°F, 38°F, 38°F				
Signature: 0204 - M... LUIS A				Date: 12/12/2004

0204 1, p 29

12/22/2004 01:53 AM FROM: USDA USDA AMS BY: JTB TOT: 1 718 351 PAGE: 004 OF 005

USDA		U.S. DEPARTMENT OF AGRICULTURE AGRICULTURAL MARKETING SERVICE http://FPBInspections.ams.usda.gov		INSPECTION CERTIFICATE Y-011-0204-00228 PAGE 3 of 4	
LOT C (QAC) - LEAF LETTUCE, RED					
TEMP: 39° to 40°F		INSP CT: YES		NUMBER OF CONTAINERS: 77 CARTON(S)	
MARKINGS:		BRAND: CHURCH BROTHERS MARKINGS: 2 DOZ LINER CHURCH BROTHERS SALINAS, CA			
PLI: NONE		OTHER ID: XXX			
INJURY	DAM	SER DAM	V.S. DAM	OFFICIAL DEFECTS	
NA	0	NA	NA	QUALITY DEFECTS	
NA	13	NA	NA	RUSSET SPOTTING (13 to 13%)	
NA	4	NA	NA	FLABBY (0 to 8%)	
NA	4	NA	NA	PEELING AND FEATHERING (0 to 8%)	
NA	0	NA	NA	DECAY	
NA	21	NA	NA	CHECKSUM	
GRADE:		NO ESTABLISHED U.S. GRADE.			
LOT DESC:		FLABBY: LEAVES AFFECTED: 2 TO 3 PEELING AND FEATHERING: LEAVES AFFECTED: 2 TO 3 RUSSET SPOTTING: LEAVES AFFECTED: 1 TO 3 TEMPERATURES(3): 39°F, 40°F, 39°F			
<small>I, the undersigned, a duly authorized inspector of the United States Department of Agriculture, do hereby certify that samples of the herein described product were inspected and the quality and/or condition so shown by said samples request of the applicant and on the date indicated, herein stated.</small>					
<small>Warning: Any person who knowingly shall falsely make, issue, offer, forge, or counterfeit this certificate or participate in any such actions, is subject to a fine of not more than \$1,000 or imprisonment for not more than one year, or both.</small>				Signature: 0204 - M.F. LUIS A Date: 12/22/2004	

1, p. 30

87-89 New England Produce Center
 Chelsea, MA 02150
 617-884-5921
 617-884-5932 Fax

The Alphas Company, Inc.

To:	Church Brothers, LLC	From:	Yanni
Attn:	Neil Milburn	Pages:	1
Fax:	831-455-1047	Date:	01/17/05
Re:	File# 102648	CC:	

Church File# 102648
Alphas Lot# 9575

Neil,

As per our conversation regarding this file, prices are as follows:

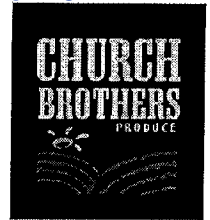
400cs	Lettuce	\$ 1.00
168cs	Gr Leaf	\$ 2.00
84cs	Red Leaf	\$ 2.00
140cs	Romaine	\$ 2.00

Total to be remitted \$1,207.50

Yanni

Yanni, p. 31

Church Brothers, LLC
P.O Box 509
Salinas CA 93902-0509
USA



INVOICE

Invoice #: 102704

Invoice: Dec 18, 2004

Ship: Dec 18, 2004

Pay Terms: Net 10

Sold To: Alphas Company Inc.
51-52 & 87-88 New England Produce Center
Chelsea MA 02150

Ship To: Alphas Company Inc.
51-52 & 87-88 New England Produce Center
Chelsea MA 02150

PO 8721 / LOT 7096

Page 1 of 1

Sale Terms: FOB	Salesperson: Neil Milburn	Carrier: TPH
Order: Dec 18, 2004	Via:	Trailer lic: 4PD6817 CA St: CA
Cust PO:	Currency: USD	Broker:

Description	Quantity	UOM	Price	Amount
Broccoli Crowns Asn Icl BG Reg Jin Ye	245	ctn	4- 11.60	2,842.00 980.00
3rn Onion MEX Bunched 48 MED Reg Church Brothers	84	ctn	6- 11.60	974.40 504.00
Broccoli Crowns Domestic Reg Church Brothers	919	ctn	4- 9.10	8,362.90 3676.00
INVOICE TOTAL:	1248			12,179.30 5160.00

245 @ 7.60 (1862.00)
84 @ 5.60 (470.40)
919 @ 5.10 (4686.90)
(7019.30)

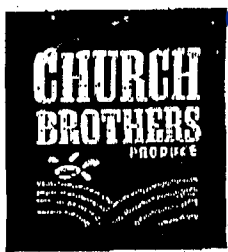
POSTPAID

Exhibit 1, p 32

PAID
15323
2-7-05

Please return a copy of this invoice with your remittance - Thank You

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Church Brothers, LLC
P.O. Box 509
Salinas CA 93902-0509
USA



Sold To:
Alphas Company Inc.
51-52 & 87-88 New England Produce Center
Chelsea MA 02150

Ship To:
Alphas Company Inc.
51-52 & 87-88 New England Produce
Chelsea MA 02150

Order No: 102404
Ship: Dec 14, 2004
Pay Terms: Net 10
Sale Terms: FOB
Time In: 13:47:54
Time out: 01:06:36

Cust PO:	Salesperson: Neil Milburn	Broker:	Quantity: 1555
Delivery:	Carrier: DUMAU		Pallets: 27.935
Via:	Trailer Lic: D24142	St: CA	Bulk Pounds: 37886.6

Description	Ordered	Shipped	Price	Amount
Location: Advanced Cooler				
Red Leaf Liner 24 Reg Church Brothers	210 ctn	210 ctn - 6 ¹⁰	14.50	3,066.00
Green Leaf Naked 24 Reg True Leaf	84 ctn	34 ctn - 9 ¹⁰	26.50	904.40
Spring Mix PP 3# Reg Paige's Pride	420 ctn	420 ctn - 5	6.50	2,730.00
Romaine Hearts 12X3 Reg True Leaf	63 ctn	63 ctn - 10 ¹⁰	16.50	1,045.80
Broccoli Crowns Domestic Reg Church Brothers	576 ctn	576 ctn - 7 ¹⁰	16.50	9,504.00
Green Leaf Liner 24 Reg Church Brothers	252 ctn	252 ctn - 9 ¹⁰	26.50	6,703.20
				23,953.40

RYAN 10 Temperature Recorder c250368

1 23.50 23.50
23.50

Neil
Please hold this file
until
price out -
Jenni

All claims must be reported within 24 hours of receipt and supported by a U.S.D.A. inspection
ALL SALES FOB NO GRADE CONTRACT WITH GOOD DELIVERY STANDARDS APPLYING EXCLUDING BRUISING AND/OR
DISCOLORATION FOLLOWING BRUISING. IN ADDITION, ALSO EXCLUDED FROM THIS CONTRACT ARE ALL EFFECTS RELATED TO
FREEZE DAMAGE INCLUDING EPIDERMAL PEEL.

Attention:

Please review and contact immediately if any discrepancies.

Dec 15, 2004 06:34:47

Page 1 of 1

1, p 33

87-89 New England Produce Center
Chelsea, MA 02150
617-884-5921
617-884-5932 Fax

The Alphas Company, Inc.

To:	Church Brothers LLC	From:	Yanni Alphas
Attn:	Neil	Date:	01/28/05
Re:	102550, 102648, 102704		

Neil,

Enclosed are the last 3 files to be settled. All 3 files are a total disaster for Alphas. Your 102550 and 102648 didn't even make freight.

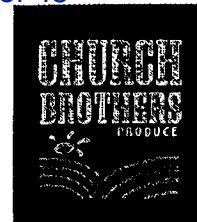
Tell Gina we will be working hard to clean up your account next week.



Thank you,
Yanni

617-884-5921 p. 34

Church Brothers, LLC
P.O. Box 509
Salinas CA 93902-0509
USA



INVOICE

Invoice #: 102550
Invoice: Dec 18, 2004
Ship: Dec 18, 2004
Pay Terms: Net 10

Sold To: Alphas Company Inc.
51-52 & 87-88 New England Produce Center
Chelsea MA 02150

Ship To: Alphas Company Inc.
51-52 & 87-88 New England Produce Center
Chelsea MA 02150

NY LOT 9573

Page 1 of 1

Sale Terms: FOB
Order: Dec 15, 2004
Cust PO:

Salesperson: Neil Milburn
Via:
Currency: USD

Carrier: T P H
Trailer lic: 4EL5435 St: CA
Broker:

Description	Quantity	UOM	Price	Amount
Romaine Hearts 12X3 Reg True Leaf	189	ctn	3 ¹⁰ 15.60	2,948.40 585.90
Lettuce Liner 24 Reg Church Brothers	320	ctn	1 - 4.10	1,312.00 320.00
Lettuce Wrap 24 Reg Church Brothers	600	ctn	1 - 5.10	3,060.00 600.00
RYAN 10 Temperature Recorder	1		23.50	23.50
INVOICE TOTAL:	1109			7,343.90 1529.40

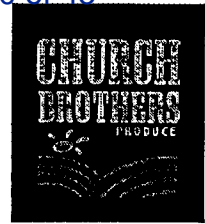
ENTERED

1, p 35

Please return a copy of this invoice with your remittance - Thank You

The perishable agricultural commodities listed on this invoice are sold subject to the statutory trust authorized by section 5c of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C 499e(c)). The seller of these commodities retains a trust claim over these commodities, all inventories of food or other products derived from these commodities, and any receivables or proceeds from the sale of these commodities until full payment is received.

Church Brothers, LLC
P.O Box 509
Salinas CA 93902-0509
USA



INVOICE

Invoice #: 102648
Invoice: Dec 18, 2004
Ship: Dec 18, 2004
Pay Terms: Net 10

Sold To: Alphas Company Inc.
51-52 & 87-88 New England Produce Center
Chelsea MA 02150

Ship To: Alphas Company Inc.
51-52 & 87-88 New England Produce Center
Chelsea MA 02150

Page 1 of 1

NY LOT 9575

Sale Terms: FOB	Salesperson: Neil Milburn	Carrier: T P H
Order: Dec 17, 2004	Via:	Trailer lic: LOCAL St: CA
Just PO:	Currency: USD	Broker:

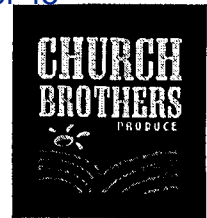
Description	Quantity	UOM	Price	Amount	
lettuce Wrap 24 Reg Church Brothers	400	ctn	1 5.60	2,240.00	400.00
Green Leaf Liner 24 Reg Church Brothers	168	ctn	2 -18.00	3,124.80	336.00
Red Leaf Liner 24 Reg Church Brothers	84	ctn	2 -11.00	974.40	168.00
Domaine Liner 24 Reg Church Brothers	140	ctn	2 -8.10	1,134.00	280.00
YAN 10 Temperature Recorder	1		23.50	23.50	
INVOICE TOTAL:	792			7,496.70	1207.50
Printer request recorder X					

ENTERED

Please return a copy of this invoice with your remittance - Thank You

The perishable agricultural commodities listed on this invoice are sold subject to the statutory trust authorized by section 5c of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C 499e(c)). The seller of these commodities retains a trust claim over these commodities, all inventories of food or other products derived from these commodities, and any receivables or proceeds from the sale of these commodities until full payment is received.

1, p 36



INVOICE

Invoice #: 102704
Invoice: Dec 18, 2004
Ship: Dec 18, 2004
Pay Terms: Net 10

Sold To: Alphas Company Inc.
51-52 & 87-88 New England Produce Center
Chelsea MA 02150

Ship To: Alphas Company Inc.
51-52 & 87-88 New England Produce Center
Chelsea MA 02150

PO 8721 / LOT 7096

Page 1 of 1

Sale Terms: FOB	Salesperson: Neil Milburn	Carrier: TPH
Order: Dec 18, 2004	Via:	Trailer lic: 4PD6817 CA St: CA
Cust PO:	Currency: USD	Broker:

Description	Quantity	UOM	Price	Amount
Broccoli Crowns Asn lcl BG Reg Jin Ye	245	ctn	4- 11.60	2,842.00 980.00
Grn Onion MEX Bunched 48 MED Reg Church Brothers	84	ctn	6- 11.60	974.40 504.00
Broccoli Crowns Domestic Reg Church Brothers	919	ctn	4- 9.10	8,362.90 3676.00
INVOICE TOTAL:	1248			12,179.30 5760.00

POSTED

PAID 1, p 37

Please return a copy of this invoice with your remittance - Thank You

The perishable agricultural commodities listed on this invoice are sold subject to the statutory trust authorized by section 5c of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C 499e(c)). The seller of these commodities retains a trust claim over these commodities, all inventories of food or other products derived from these commodities, and any receivables or proceeds from the sale of these commodities until full payment is received.

Church Brothers

Lot#	Inv#	Inv Amount	Amt Paid	Adjustments	Alphas ck#	
NY 9509	101338	12,981.00	9,673.50	3,307.50	ck# 26993	Fedex 3/11 - not cleared USDA Inspection
NY 9542	102088	8,988.30	4,046.30	4,942.00	ck# 27019	Fedex 3/11 - not cleared USDA Inspection
NY 9573	102250	5,302.00	1,043.50	4,258.50	ck# 27030	Fedex 3/11 - not cleared USDA Inspection
NY 9564	102550	7,343.90	1,529.40	5,814.50	ck# 26948	Fedex 3/11 - not cleared USDA Inspection
NY 9575	102648	7,496.70	1,207.50	6,289.20	ck# 26972	Fedex 3/11 - not cleared USDA Inspection
B 7096	102704	\$ 12,179.30	5,160.00	7,019.30	ck# 15323	Fedex 3/7 - not cleared -
B 7090	102172	15,573.70	4,447.70	11,126.00	ck# 15259	Cleared 2/16 USDA Inspection
B 7092	102404	10,733.00	6,639.00	4,094.00	ck# 15262	Cleared 3/10 -
Total Invoiced	ck# 15259	\$ 80,597.90	\$ 33,746.90	\$ 46,851.00		
Total Claim		\$ 76,150.20				
		(6,639.00) ck# 15262 not reflected				
		(9,673.50) ck# 26993 not reflected				
		(4,046.30) ck# 27019 not reflected				
		(1,043.50) ck# 27030 not reflected				
		(1,529.40) ck# 26948 not reflected				
		(1,207.50) ck# 26972 not reflected				
		(5,160.00) ck# 15323 not reflected				
		\$ 46,851.00				

Exhibit 2

Exhibit

3

fedEx Express **US Airbill** **8508 8938 9197**

From **Date** 3/11/05 **Sender's FedEx Account Number** 2461-5387-6

Sender's Name Vanni **Phone** (617) 884-5921

Company ALPHAS COMPANY INC

Address 87-89 NEW ENGLAND PRODUCE CTR

City CHELSEA **State** MA **ZIP** 02150-1703

Your Internal Billing Reference OPTIONAL

To Recipient's Name Jay **Phone** (831) 455-1000

Company Church Brothers, LLC

Recipient's Address 19065 Portola Drive

Address Salinas **State** CA **ZIP** 93098

Try online shipping at fedex.com.

By using this Airbill you agree to the service conditions on the back of this Airbill and in our current Service Guide, including terms that limit our liability.

Questions? Visit our Web site at fedex.com or call 1.800.GoFedEx 1.800.468.3333.

0299840671

Sender's Copy

4a Express Package Service

☒ FedEx Priority Overnight ☐ FedEx Standard Overnight ☐ FedEx First Overnight

☐ FedEx 2Day ☐ FedEx Express Saver

4b Express Freight Service

☐ FedEx 1Day Freight ☐ FedEx 2Day Freight ☐ FedEx 3Day Freight

5 Packaging

☒ FedEx Envelope ☐ FedEx Pak ☐ FedEx Box ☐ FedEx Tube ☐ Other

6 Special Handling

☒ SUNDAY Delivery ☐ HOLD Weekday at FedEx Location ☐ HOLD Saturday at FedEx Location

7 Payment

☒ Sender ☐ Recipient ☐ Third Party ☐ Credit Card ☐ Cash/Check

8 Sign to Authorize Delivery Without a Signature

Total Packages **Total Weight** **Total Declared Value***

9 Sign to Authorize Delivery Without a Signature

466

By signing you authorize us to deliver this shipment without obtaining a signature and agree to indemnify and hold us harmless from any resulting claims.

SOP Rev Dec 1/03 Part #16271-01 (04-2003) FedEx-PRINTED IN U.S.A.

FedEx | Track

Page 1 of 1

Track Shipments
Detailed Results Quick Help

Tracking number	850889389197	Delivered to	Receptionist/Front Desk
Signed for by	J.BROWN	Service type	Priority Envelope
Ship date	Mar 11, 2005		
Delivery date	Mar 12, 2005 10:15 AM		
Status	Delivered		

Date/Time	Activity	Location	Details
Mar 12, 2005	10:15 AM	Delivered	
	9:43 AM	On FedEx vehicle for delivery	MONTEREY, CA
	9:28 AM	At local FedEx facility	MONTEREY, CA
	4:23 AM	Arrived at FedEx location	OAKLAND, CA
	12:29 AM	Departed FedEx location	MEMPHIS, TN
Mar 11, 2005	11:42 PM	Arrived at FedEx location	MEMPHIS, TN
	10:26 PM	Package data transmitted to FedEx	
	8:24 PM	Left origin	SOUTH BOSTON, MA
	6:02 PM	Picked up	SOUTH BOSTON, MA

[Signature proof](#)[Track more shipments](#)

Email your detailed tracking results (optional)

Enter your email, submit up to three email addresses (separated by commas), add your message (optional), and click **Send email**.

From

To

Add a message to this email.

[Send email](#)

Church Bros.
Purchase History

Ship Date	Lot#	Vendor Inv#	Invoiced	Paid	Variance	Check#	
11/5/2004	7036	100330	2,352.00	2,352.00	-	15028	
11/5/2004	9378	100444	2,421.00	2,421.00	-	1095	
11/16/2004	7054	100642	10,104.00	10,104.00	-	15149	
11/16/2004	9432	100970	3,128.45	3,128.45	-	26824	
11/19/2004	7065	101065	6,495.50	6,495.50	-	15159	
11/23/2004	7069	101201	6,816.00	3,936.00	2,880.00	15171	
11/26/2004	7072	101202	6,460.10	2,674.10	3,586.00	15170	
12/3/2004	7075	101307	12,512.40	8,136.40	4,376.00	15214	
11/26/2004	7073	101308	7,407.50	3,247.50	4,160.00	15210	
12/4/2004	7083	101435	10,527.50	1,583.50	8,944.00	15254	
			68,224.45	44,278.45	23,946.00		non disputed
12/3/2004	9509	101338	12,981.00	9,673.50	3,307.50	26993	Disputed
12/10/2004	9542	102088	13,622.30	4,046.30	9,576.00	27019	Disputed
12/10/2004	7090	102172	15,573.70	4,447.70	11,126.00	15259	Disputed
12/14/2004	7092	102404	10,733.00	6,639.00	4,094.00	15262	Disputed
12/15/2004	9564	102250	5,735.50	1,043.50	4,692.00	27030	Disputed
12/18/2004	9573	102550	7,343.90	5,814.50	1,529.40	26948	Disputed
12/18/2004	9575	102648	7,496.70	1,207.50	6,289.20	26972	Disputed
12/18/2004	7096	102704	12,179.30	5,160.00	7,019.30	15323	Disputed
			85,665.40	38,032.00	47,633.40		
Totals			153,889.85	82,310.45	71,579.40		

Exhibit 4